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Via Telefax (212) 805-7912

Honorable John G. Koeltl  
 United States District Judge  
 United States Court House  
 500 Pearl Street, Room 910  
 New York, NY 10007-1581

**APPLICATION GRANTED  
 SO ORDERED**

*6/12/07*  
*6/Coeltl*  
 John G. Koeltl, U.S.D.J.

Re: DEVAL SHIPPING & TRADING CO. v. REPINTER INTERNATIONAL  
 SHIPPING CO. LTD. and MLACHART CORPORATION  
 07cv3397 (JGK) - SDNY

Dear Judge Koeltl,

We write on behalf of both parties to advise the Court as to the status of their efforts to negotiate, through their respective London counsel, in order to resolve the issues concerning the LOU tendered by defendants as substitute security for the funds attached in New York. It has been reported that the wording of the LOU has been now agreed subject to final confirmation by the respective clients. The solicitors are continuing to discuss the issuing syndicate's financial status.

The parties have agreed to jointly request an extension of the current deadlines reflected in the Court's Order of June 7, 2007, so as to allow time to resolve the remaining issues.

Accordingly, the parties propose a slight further extension of the June 7, 2007 scheduling order as follows:

Defendants' time to make addition submissions to be extended from Tuesday, June 12, 2007 to Wednesday, June 13, 2007;

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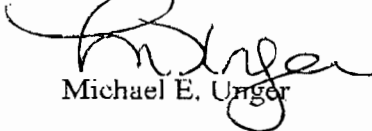
Plaintiff's time to respond to be extended from Friday, June 15, 2007 to Monday, June 18, 2007 and

Defendants' time to reply to be extended from Wednesday June 20, 2007 to Thursday, June 21, 2007.

The parties have also agreed to mutually extend the time for submissions in respect to the counter-security issue and propose to jointly advise the Court tomorrow as to respective dates for submissions in respect to that issue.

On behalf of both parties, we thank the Court for its courtesy and attention and consideration to the foregoing.

Respectfully,  
FREEHILL HOGAN & MAHAR



Michael E. Unger

MEU/mc

cc: By Email  
Mary Ann Marlowe, Esq.  
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